BUSINESS-REASONABLE-LITIGATION-EXPENSES-IN-ADDITION-TO-OTHER COSTS-IF-THE-SMALL-BUSINESS-PREVAILS-IN-THAT-ACTION-AND-IF-THE COURT-FINDS-THAT-THE-STATE-AGENCY-WAS-WITHOUT-SUBSTANTIAL JUSTIFICATION-IN-INITIATING-THE-ORIGINAL-ACTION-OR-THAT-THE-STATE AGENCY-BROUGHT-THE-ORIGINAL-ACTION-IN-BAD-FAITH-

- (C)--IN----ANY----ADMINISTRATIVE----PROCEEDING---BEFORE---AN ADMINISTRATIVE-LAW-JUDGE-AND-THE--AGENCY IN ANY ADMINISTRATIVE ADJUDICATORY PROCEEDING OR CIVIL ACTION RESULTING FROM A COMPLAINT ISSUED BY A-STATE AN AGENCY AGAINST A SMALL BUSINESS PURSUANT TO THE ADMINISTRATIVE OR REGULATORY FUNCTIONS OF THE AGENCY, THE SMALL BUSINESS MAY BE AWARDED REASONABLE LITIGATION EXPENSES IN-ADDITION-TO-OTHER-COSTS IF:
 - (1) THE SMALL BUSINESS PREVAILS IN THAT ACTION; AND
- (2) EITHER THE STATE AGENCY WAS WITHOUT SUBSTANTIAL JUSTIFICATION IN INITIATING THE COMPLAINT OR THAT THE STATE AGENCY BROUGHT THE ACTION IN BAD FAITH.
- (D) (C) A SMALL BUSINESS IS CONSIDERED TO PREVAIL IN ANY ACTION IN WHICH THERE IS NO ADJUDICATION, STIPULATION, OR ACCEPTANCE OF LIABILITY OR DETERMINATION OF NONCOMPLIANCE, VIOLATION, INFRINGEMENT, DEFICIENCY, OR BREACH ON THE PART OF THE SMALL BUSINESS. A SMALL BUSINESS MAY NOT RECOVER REASONABLE LITIGATION EXPENSES WHEN THE PARTIES HAVE EXECUTED A SETTLEMENT AGREEMENT WHICH, WHILE NOT STIPULATING LIABILITY OR VIOLATION, REQUIRES THE SMALL BUSINESS TO TAKE CORRECTIVE ACTION OR PAY A MONETARY SUM.
- (E) (D) FUNDS FOR THE EXPENSES AND COSTS OF ANY AWARD SHALL BE PAID FROM FUNDS IN THE REGULAR-OPERATING-BUDGET-OF-THE-STATE AGENCY STATE BUDGET OR WHICH ARE APPROVED BY BUDGET AMENDMENT.
- (F) (E) THE COURT MAY REDUCE THE AMOUNT OF THE REASONABLE LITIGATION EXPENSES TO BE AWARDED UNDER THIS SECTION, OR DENY AN AWARD, TO THE EXTENT THAT THE SMALL BUSINESS ENGAGED IN CONDUCT DURING THE COURSE OF THE PROCEEDINGS WHICH UNDULY AND UNREASONABLY PROTRACTED THE FINAL RESOLUTION OF THE MATTER IN CONTROVERSY.
- (6) (1) AN AGENCY MAY APPEAL AN AWARD OF LITIGATION EXPENSES MADE BY A COURT UNDER THIS SECTION.
- BROUGHT BY AN AGENCY, A CLAIM FOR REASONABLE LITIGATION EXPENSES MUST BE RAISED BY THE SMALL BUSINESS BEFORE THE AGENCY PRIOR TO ANY APPEAL. AFTER THE CLAIM IS MADE, THE AGENCY SHALL AWARD OR DENY THE CLAIM. A SMALL BUSINESS MAY APPEAL A DENIAL OF REASONABLE LITIGATION EXPENSES IN THE ADMINISTRATIVE ADJUDICATORY PROCEEDING IN ACCORDANCE WITH THE ADMINISTRATIVE PROCEDURE ACT NOTWITHSTANDING THAT THE SMALL BUSINESS PREVAILED ON THE MERITS OF THE AGENCY ACTION BROUGHT AGAINST IT.